

INFORMATION LETTER

Not for
Publication

NATIONAL CANNERS ASSOCIATION

For Members
Only

No. 1323

Washington, D. C.

February 3, 1951

Cumming Named Chairman of War Mobilization Committee

Howard T. Cumming, President, Curtice Brothers Company, and a past President of the National Canners Association, has been made Chairman of the N.C.A. War Mobilization Committee, it is announced by President Henry P. Taylor. Mr. Cumming served in the World War II effort as Chairman of the N.C.A. Planning Committee, which for that emergency period performed somewhat the same functions as are now being carried out by the War Mobilization Committee.

E. A. Meyer, Richmond-Chase Company, has been appointed by President Taylor to serve as Chairman of the Price Stabilization functional group of the Mobilization Committee.

President Taylor has called a meeting of the War Mobilization Committee for 10 a.m., Friday, February 16, in the North Assembly Room, Stevens Hotel.

Chemicals in Processed Foods

The House on February 2 passed H. Res. 74, reconstituting its select Committee to Investigate the Use of Chemicals in Processed Foods. This committee was created by the 81st Congress and was headed by Representative Delaney (N.Y.) In the 82nd Congress, the Speaker of the House will again assign members of the committee. H. Res. 74 authorizes the committee to continue its investigation. No action can be scheduled until a chairman is named (see INFORMATION LETTER of January 13, page 8).

Airline Ticket Office To Have Home State Papers

American Airlines will maintain a special booth in the lobby of the Hotel Stevens, where those attending the 1951 Convention may obtain copies of newspapers from their home states.

At the same booth, there will also be available a complete airline schedule of passenger service out of Chicago. This booth will be in addition to the regular ticket office at the Stevens.

General Price Freeze Ordered by ESA

The Economic Stabilization Agency on January 26 issued a General Ceiling Price Regulation applying price controls to all but a few specifically exempted services and commodities. The Association forwarded the complete text of the new regulation to the industry on the same day, and the official text appears in the *Federal Register* of January 30, pages 808-816.

The General Ceiling Price Regulation is a general-hold-the-line order aimed at halting the present inflationary spiral by applying price ceilings to all but a few services and commodities at the level generally prevailing during the period December 19, 1950, to January 25, 1951, inclusive. Ceilings under the regulation became effective on January 26. Sellers of goods and services other than those specifically exempted are generally prohibited from selling their goods or services at prices higher than the highest prices received for such goods or services during the base period December 19, 1950, to January 25, 1951. (Please turn to page 31)

M-25 Is One of Five Orders Limiting Use of Tin

Five orders designed to distribute a limited tin supply equitably among essential uses were issued by the National Production Authority, effective January 27. They were:

M-24, specifying maximum coatings of tin orterne metal permitted in "specialty items" such as kitchen equipment, food preparation and cooking equipment, dairy pails, and roofing.

M-25, establishing plate specifications and use limitations on tin cans for food and nonfood products.

M-26, establishing plate specifications and use limitations on tinplate closures.

M-27, limiting the amounts of tin that may be used in collapsible tubes for pharmaceuticals, cosmetics, and shaving creams.

M-8, as amended, prohibiting the use of tin in the manufacture of many products.

Copies of Orders M-24, M-25, and M-26 were mailed to all canners last weekend by the N.C.A.

Tin is one of those strategic metals the supply of which comes from outside the United States. Tin is (Please turn to page 38)

This Is How**Canners Received Copies of the Price Control, Wage Freeze, and Tin Orders Early This Week**

At the close of business last Friday, January 26, none of these orders was available. Last Monday morning, they were being delivered on members' desks.

N.C.A. had learned Friday morning that four of the five tin orders had been signed. Because N.C.A. staff members had checked continuously with the government agencies on the status of the orders, N.C.A. was prepared to obtain the tin orders immediately upon their availability at several official sources.

One such source is the *Federal Register*. Because the first printing of any government order generally is in the *Federal Register*, N.C.A. made arrangements to inspect the new orders as soon as they were received there for publication. Other contacts had been established with the NPA press office. Frequent inquiries were made Friday afternoon on the progress of the tin orders. It was learned that NPA expected to have printed copies at 10 o'clock Saturday morning.

Accordingly, arrangements were made to pick up copies of the tin orders from the NPA, and to staff the N.C.A. Mail and Duplicating Section on Saturday for reproducing and mailing the tin orders to all canners. Envelopes were run through the addressograph Friday afternoon, and a complete set of envelopes was made ready for mailing.

The price control and wage freeze orders were announced by ESA Friday night, but copies of the orders were not available for distribution for several hours. At ESA, the price control order was handed out to newspapermen page by page as each came off the ESA mimeograph machine, and complete copies of the orders were not available until 1:30 Saturday morning. Among the many persons waiting to assemble the complete order was a member of the N.C.A. staff.

Because of the poor reproduction quality of the price control and wage freeze orders, it was impractical to duplicate the pages photographically. The order had to be re-typed, and staff stenographers were called back to the office Saturday morning for that job.

The Secretary, staff members assigned to price and container control problems, and stenographers were the nine persons who assembled at N.C.A.

to prepare the price, wage, and tin orders for publication. A staff of six more stood by in the Mail and Duplicating Section to handle printing, assembling, and mailing.

While the price control and wage freeze orders were being studied by the Secretary and his staff, other copies were being re-typed onto multilith "masters."

At the same time, an N.C.A. staff representative stood by at NPA awaiting issuance of the tin orders. They had been delayed until the NPA Administrator had again studied them. At 11 o'clock Saturday morning, four copies of each tin order were released to N.C.A. Three of them—considered of direct concern to canners—were photographed onto aluminum plates for printing by multilith. A digest of the can order was prepared.

As the ESA price control order was being re-typed, each of the multilith masters was proofread. What had been a 20-page order (including partial pages) on its release by ESA was reduced mechanically to 14 pages by the N.C.A. typists. As each multilith master received an o.k., it was sent down to the duplicating machine.

While the price control and wage freeze orders were being re-typed, digests of these orders were prepared, and these were reviewed by Counsel before they were included in the mailing.

At 1:30 Saturday afternoon the price control and wage freeze orders had been completely re-typed and proofread. The burden of work then fell on the Mail and Duplicating Section.

To mail these orders, together with their digests, to all canners required a press run of 3,300 complete sets, each with 29 pages—or 96,700 pages to be printed at a rate of 5,000 an hour. As the pages came off the multilith machine, others in the Mail and Duplicating Section assembled the 17 pages of the price-wage orders, the 10 pages of the tin orders, and the digests of these orders.

The six-man crew in the Mail and Duplicating Section worked steadily throughout Saturday night—printing, assembling, folding, and inserting into the envelopes that had been prepared the day before.

At 3 o'clock Sunday morning, four mail bags filled with airmail envelopes were delivered to the Post Office.

Two men remained at work throughout Saturday night and on into Sunday morning. At 10 o'clock Sunday morning the six-man crew again was at full strength. And all first class mail for N.C.A. members was delivered to the Post Office.

The men in the Mail and Duplicating Section continued at work until the mailing was completed. The last delivery of mail to the Post Office included copies of the orders for state secretaries, trade papers, and non-members.

CONGRESS**Meeting of Competition**

Legislation to clarify the right of sellers to competitive freight absorption was introduced by six Senators on January 29. The bill, S. 719, was introduced by Senator McCarran (Nev.) on behalf of himself and Senators Johnson (Colo.), O'Connor (Md.), Wherry (Nebr.), Capehart (Ind.), and Bricker (Ohio).

S. 719 would amend the Clayton Act, as amended by the Robinson-Patman Act, by authorizing the good faith meeting of competition. The bill was referred to the Senate Judiciary Committee, of which Senator McCarran is chairman.

In a statement, Senator McCarran called attention to the recent Supreme Court decision in the Standard Oil of Indiana case (see INFORMATION LETTER of January 20, page 17). He said that S. 719 would make the written law conform to the majority opinion of the Supreme Court and would be a complete solution to the freight absorption problem.

SUPPLIES**Shipments of Metal Cans**

Shipments of metal cans for selected food products for October and November of this year are reported by the Bureau of the Census, U. S. Department of Commerce, as follows:

	Oct. 1950	Nov. 1950	Nov. 1949
(in short tons of steel)			
Fruit and vegetable (including juice)	119,034	91,878	55,740
Fish and seafood	17,399	15,000	8,385
Meat, including poultry . . .	9,928	11,084	10,218

DEFENSE

General Wage Freeze Ordered, Accompanying Price Freeze

On January 26, the same day on which the General Price Ceiling Regulation went into effect, the Economic Stabilization Agency issued General Wage Stabilization Regulation 1, freezing wages, salaries, and other compensation generally at the rates of compensation in effect on January 25, 1951. The regulation was issued pursuant to the provisions of Section 402(b) of the Defense Production Act of 1950, which requires that upon the issuance of a general price ceiling order wages, salaries and other compensation shall be stabilized.

The General Wage Stabilization Regulation prohibits any employer from paying any employee wages, salaries, or other compensation at a rate in excess of the rate prevailing on January 25, 1951, or during the period May 24, 1950, to June 24, 1950, inclusive, whichever is the higher. Compensation rates in excess of the rates determined as a maximum through application of the above criteria will be allowed only on the express approval or authorization of the Wage Stabilization Board. Rates of compensation for new employees are to be determined by the rates in effect on January 25, 1951, for the specific jobs for which they are hired.

The regulation further authorizes the Wage Stabilization Board to modify, amend, or supersede the provisions of the regulation by the issuance of further orders. Petitions for the approval of any increase in wages, salaries and other compensation above the levels prescribed by the regulation are to be filed with the Wage Stabilization Board.

Within a few days after the issuance of the General Wage Stabilization Regulation, the Wage Stabilization Board issued four general orders relaxing and interpreting the blanket wage freeze. Three of these orders follow the pattern of early World War II War Labor Board actions. The first of these expanded the definition of wages, salaries, and other compensation to include all forms of remuneration to employees by their employers for personal services, including, but not limited to, vacation and holiday payments, night shift and other bonuses, incentive payments, year-end bonuses, employer contributions to or payments of insurance or welfare benefits, employer contribu-

tions to a pension fund or annuity, payments in kind, and premium overtime practices and rates. The inclusion of these additional forms of remuneration does not mean that the take-home pay of an individual employee may not be increased, since the freeze applies solely to the rates of compensation rather than to the amounts.

The third and fourth Wage Stabilization General Regulations exempt from the wage freeze rates of compensation which on January 25 were below the minimum rates of compensation established by the Fair Labor Standards Act or by the laws of any state and all compensation paid to employees of state, county, or municipal governments.

The second order permits employers to give limited effect to wage agreements entered into with their employees prior to the issuance of the general wage freeze. Increases in wages, salaries and other compensation agreed to in writing or determined and communicated to the employees on or before January 25, 1951, and which, by the terms of such agreement or determination, are to become applicable to work performed prior to the termination of 15 calendar days after January 25, 1951, may be made without the prior approval or authorization of the Wage Stabilization Board. When wage increases pursuant to such agreements are put into effect, the employer must file with the Wage Stabilization Board a copy of the agreement and the considerations involved in granting the increase.

OPS Food Pricing Organization Conforms Closely with OPA

Canned foods pricing will be administered in the Office of Price Stabilization by commodity branches and sections conforming to the organization in OPA during World War II.

Although the organization of the OPS Food and Restaurant Division will not exactly duplicate the comparable OPA organization, the organizational pattern for canned foods pricing is the same. The pattern was announced January 30. It is still tentative.

The Food and Restaurant Division will comprise nine Branches. The Fruit and Vegetable Branch will include a Fresh Fruits and Vegetables Section and a Processed Fruits and Vegetables Section. The Meat and Fish Branch will include a Livestock Section, a Meat Section, and a Fish Section.

Other branches of the Food and Restaurant Division are: Grains, Feeds and Agricultural Chemicals Branch, Grocery Products Branch; Poultry, Eggs, and Dairy Products Branch, Fats and Oils Branch, Slaughter Control Branch, Distribution Branch, and Restaurant Branch.

OPS Food Division Head

Price Stabilizer Michael V. DiSalle has announced the appointment of John B. Hutson to head the Food and Restaurant Division of the Office of Price Stabilization. Mr. Hutson was named assistant for agriculture in the office of Eric Johnston, ESA head, but has been assigned to the OPS position for a temporary period.

Mr. Hutson was active in the formulation and execution of agricultural policies during the World War II period. He was Deputy Commissioner for Agriculture in the National Defense Advisory Commission from October, 1940, to June, 1941; President of the Commodity Credit Corporation from July, 1941, to December, 1943; Director of Production in the War Food Administration during 1944; Deputy Director for Agriculture in the Office of War Mobilization and Reconversion during the first half of 1945; and Under Secretary of Agriculture from July, 1945, to March, 1946. He resigned to assist in the organization of the Secretariat of the United Nations.

General Ceiling Price Regulation

(Continued from page 29)

All raw and unprocessed agricultural commodities when sold by the producer and all fresh fruits and vegetables, and fresh fish and seafood are exempted from price ceilings. In addition, certain limited but automatic adjustments of ceilings on processed foods are made available to processors of agricultural commodities which are currently selling below the highest of the "legal minima" set forth in the Defense Production Act of 1950.

No single regulation establishing price ceilings on the great majority of the services and commodities supplied by all industries can be expected to avoid all inequities or ambiguities in its application to the price of all commodities. Some areas of confusion are inherent in any such order and these must await further clarification by the Economic Stabilization Agency. The general analysis which follows is accompanied by such explanatory com-

ment and interpretation as can be given at this time.

The General Ceiling Price Regulation is not expected to remain as a permanent device for controlling prices. The Economic Stabilization Agency recognizes that the issuance of one regulation covering millions of prices in thousands of industries differing in structure, market organization and degrees of complexity cannot be expected to cover adequately the multitude of problems that will arise in the future in day-to-day pricing. Consequently, the Agency has indicated that the regulation is intended to serve merely as a temporary inflation control measure pending the issuance of additional and more detailed price ceiling regulations "tailored" to meet the needs of individual industries.

The Statement of Consideration

The Defense Production Act of 1950 requires that every regulation issued by the Economic Stabilization Agency shall be accompanied by a statement of the considerations involved in its issuance. The statement accompanying the new General Ceiling Price Regulation is largely self-explanatory, and a careful reading of this statement is urged upon canners as a basis for a fuller understanding of the purpose and effect of the price regulation as well as the reasons behind certain provisions.

The statement gives recognition to the fact that the voluntary pricing standards announced on December 9, 1950, were insufficient to curtail price increases appreciably, and that the more drastic action of a general price freeze is necessary to halt the spiral in prices. The statement further indicates that the choice of the December 19-January 25 base period was dictated by considerations of administrative practicability rather than by conclusions as to proper price levels. It expresses the intention of the Director of Price Stabilization to issue as soon as possible more detailed regulations applicable to individual industries which may employ different criteria in arriving at price ceilings.

The canning industry may, therefore, expect at some time in the near future a separate price regulation applicable to the food processing industry in general and thereafter to particular groups of canned foods or even to specific products. This supplementary regulation may provide for a roll-back or an upward adjustment in price ceilings in accordance with the Agency's conclusions as to the price-

cost structure prevailing in the canning industry.

Ceilings on Canned Foods

The General Ceiling Price Regulation provides for individual price ceiling determinations on specific canned food items by individual canners. Generally, the ceiling will be determined by the highest price at which the canner dealt in that commodity during the period December 19, 1950, to January 25, 1951, inclusive. When a canner did not deal in the particular item to be priced during the base period, he must resort to comparison formulas designed to set a ceiling price for the new item which is directly in line with the ceiling price established for items of a similar nature. When no such comparison items are available, his ceiling price will be determined by the ceiling prices in effect for like commodities sold by the canner's most closely competitive seller.

Once a canner determines his ceiling price through application of these successive formulas, his ceiling remains the same and no further price increases are allowed unless permitted under the "parity adjustment" provisions of Section 11. A canner, therefore, determines his ceiling price on a particular item by successively resorting to each of a series of formulas until he is able to determine his ceiling price through the application of a specific formula. If the circumstances surrounding the production and sale of that commodity are such that none of these formulas is applicable, he may apply in writing to the Director of Price Stabilization, Washington 25, D. C., for the establishment of a ceiling price. It is not likely that many canners will be unable to establish ceiling prices under these formulas, which are explained below.

When the Canner Has Dealt in a Particular Food Item During the Base Period

If the canner has sold and delivered a particular item to a customer during the period December 19, 1950, to January 25, 1951 inclusive, his ceiling price on that item is the highest price at which such item was sold during the base period to a purchaser of the same class. A commodity will not be deemed to have been delivered during the base period for purposes of applying this formula unless it was received during the base period by the purchaser or by any carrier, including a carrier owned or controlled by the seller, for shipment to the purchaser.

The regulation requires that price ceilings established on sales during the base period be determined on the basis of sales during such period to "purchasers of the same class." While the section so providing does not specify what happens in cases of sales during the base period to purchasers of a different class, another portion of the regulation states that ceilings shall reflect customary price differentials. The effect, therefore, is to require that canners maintain in their ceiling prices customary price differentials including discounts, allowances, premiums and extras, based upon differences in classes or locations of purchasers or in terms and conditions of sale or delivery.

If a canner made no deliveries during the base period of the particular item, but has offered the item for sale, his ceiling price is the highest price at which he offered the item in writing for base period delivery to a purchaser of the same class. Contracts or offers calling for deliveries on dates subsequent to January 25 are, therefore, not to be considered offers for purposes of determining a ceiling price under this provision.

When a Canner Has Not Dealt in the Particular Item During the Base Period but Has Made Sales of Related Items

In the event that a canner has made no deliveries of a particular item during the base period or made no written offers for sale of the particular item for base period delivery, he will be unable to determine his ceiling price under the preceding methods. He must, therefore, if he can, establish his ceiling price for that item under a comparison formula designed to set a ceiling price for that item in line with the ceiling prices established on other items in which he dealt during the base period.

If the item is one in which the canner had no dealings during the base period, but which falls within a "category" of items for which deliveries or offers were made during the base period, the canner determines his ceiling price for that item by applying to his current unit direct cost for such item the percentage markup he is currently receiving on a "comparison" commodity.

A "comparison" commodity is one which falls within the same "category" as the item being priced. The regulation states that a "category" for this purpose means a group of commodities which are normally classed together in an industry for purposes of production, accounting or sales. The regulation does not

make entirely clear the scope of the term "category" in its application to canned foods, but price officials have indicated that some flexibility is to be read into the term. Thus, a "category" for one canner may include either a wider or narrower range of products than will be permitted to another. The limitation of comparison commodities to items in the same "category" was included to minimize the amount of "shopping around" in the selection of a comparison commodity, and the canner must be able to justify his selection of a "category" by the records which he is required to maintain under Section 16 of the regulation.

The canner selects his comparison commodity in the following fashion. If any commodities in which he dealt during the base period, and which are in the same "category" as a commodity to be priced, have a lower current unit direct cost, that commodity becomes the comparison commodity. If there is more than one commodity in the same "category" of commodities as the commodity being priced which has a lower current unit direct cost, the one most nearly like the commodity being priced must be selected. If there is no commodity in the same "category" having a lower current unit direct cost, the comparison commodity is the one, having the same or higher current unit direct cost, which is most nearly like the commodity being priced.

In the event that the canner is no longer packing any commodities in the same "category," he will, under the method just discussed, be unable to determine the percentage markup on the basis of a comparison commodity currently being sold. He must then select for comparison, if there is one, the commodity in the same category in which he dealt during the base period which is most nearly like the commodity being priced, and compute the current unit direct cost for that comparison commodity by using current material prices and wage rates. This method of determining the ceiling price for an item not dealt in during the base period will in effect require the canner to compute as of the date on which he wishes to determine the price for a particular commodity the cost and ceiling price factors which would apply to the comparison commodity if he had continued its production to that date.

When a comparison commodity has been selected, a canner applies the percentage markup for the comparison commodity, i.e., the percentage amount by which his ceiling price for

the comparison commodity exceeds its current unit direct cost—to the current unit direct cost for the commodity to be priced. The current unit direct cost for both the commodity being priced and the comparison commodity is the labor cost and material cost which enter directly into the product and does not include factory overhead or indirect manufacturing, administrative, general or selling expenses.

When a Canner Has Not Dealt in a Particular Item During the Base Period and No Commodities Are Available for Comparison

A canner may find himself unable to establish a ceiling price for a particular commodity under the comparison commodity methods because he has not dealt in any commodities during the base period which are in the same category as the item being priced. In that event, a canner must determine the ceiling price for that item by establishing as the ceiling price the ceiling price of his most closely competitive seller of the same class selling the same commodity to the same class of purchaser.

A canner's most closely competitive seller of the same class is declared to be "the seller with whom . . . [he is] . . . in most direct competition even though he may perform a different function with respect to the commodity or service." Clarification of the method of selecting the most closely competitive seller will probably be forthcoming in the near future.

To guard against abuses of the pricing formula permitting canners, under the specified circumstances, to determine their ceiling prices with reference to the ceiling prices of their most closely competitive sellers, the regulation requires that a canner file a written report with the Director of Price Stabilization, Washington 25, D. C., stating the circumstances under which he proposes to apply the formula. His report must be filed before establishing the ceiling on the commodity to be priced, and the canner may not sell the commodity until ten days after mailing the report. The ceiling price proposed in the report will become effective at the end of ten days, provided the Director of Price Stabilization has not disapproved the proposed ceiling or requested more information. The Director may permit sales at the proposed ceiling price prior to the end of the ten day period by indicating his approval. The information required in this report is listed in Section 6(b) of the Regulation.

Parity Adjustments and Canners' Ceiling Prices

Section 402(d) (3) of the Defense Production Act of 1950 provides that:

"No ceiling shall be established or maintained for any agricultural commodity below the highest of the following prices: (i) The parity price for such commodity, as determined by the Secretary of Agriculture in accordance with the Agricultural Adjustment Act of 1938, as amended, and adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials, or (ii) the highest price received by producers during the period from May 24, 1950, to June 24, 1950, inclusive, as determined by the Secretary of Agriculture and adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials, or (iii) in the case of any commodity for which the market was not active during the period May 24 to June 24, 1950, the average price received by producers during the most recent representative period prior to May 24, 1950, in which the market for such commodity was active as determined and adjusted by the Secretary of Agriculture to a level in line with the level of prices received by producers for agricultural commodities generally during the period May 24 to June 24, 1950, and adjusted by the Secretary for grade, location, and seasonal differentials, . . ."

The Act further provides:

"No ceilings shall be established or maintained hereunder for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to producers of such agricultural commodity a price for such agricultural commodity equal to the highest price therefor specified in this subsection: *Provided*, That in establishing and maintaining ceilings on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing. . . ."

To give effect to these provisions, the General Ceiling Price Regulation permits canners to add to their ceiling prices all dollar and cents increases in the cost of their raw material incurred subsequent to the date on which their ceiling prices were first determined, provided that at the time such adjustment is made the unprocessed agricultural commodity is selling below the legal minima provided by the Act.

For a canner to take advantage of this "parity" adjustment provision, the following conditions must be in effect:

(1) The commodity being processed must be an agricultural commodity within the meaning of the Defense Production Act. Some of the com-

(Please turn to page 37)

44TH ANNUAL CONVENTION OF THE

SATURDAY • February 17

1:30 p. m. Special War Mobilization Conference

North Ballroom, Stevens Hotel

Presiding: HENRY P. TAYLOR, President, National
Canners Association

Address: "Canned Foods in Civil Defense"—Dr.
E. J. CAMERON, Director, Washington Research
Laboratory, National Canners Association

Address: "The Armed Forces Look to America's Can-
ning Industry"—Maj. Gen. HERMAN FELDMAN,
Quartermaster General of the Army

Address: "The Canner's Role in Economic Utiliza-
tion of the Nation's Food Producing Facilities"—
S. R. SMITH, Chief, Fruit and Vegetable Branch,
Production and Marketing Administration, U. S.
Department of Agriculture

Address: "Metal Can Conservation"—ROBERT J.
SMALL, Chief, Metal Can Unit, Container Divi-
sion, National Production Authority

Address: "Manpower and National Security"—
ROBERT C. GOODWIN, Executive Director, Of-
fice of Defense Manpower, U. S. Department of
Labor

Address: "Price Control As I See It"—MICHAEL V.
DISALLE, Director of Price Stabilization, Eco-
nomic Stabilization Agency

SUNDAY • February 18

1:30 p. m. General Session

North Ballroom, Stevens Hotel

Presiding: HENRY P. TAYLOR, President, National
Canners Association

Invocation: Memorial Tribute to the late Frank E.
Garrell, Founding Secretary of the National
Canners Association

Greetings: Mr. TAYLOR

Report of Committee on Nominations: HOWARD
T. CUMMING, Chairman

Election of Officers

Address: "Our Problems at Home and Abroad"—
The Honorable HARRY F. BYRD, United States
Senator from Virginia

Report of Committee on Resolutions: CHESTER A.
RAY, Chairman

Installation of New Officers

Details

CHICAGO

MONDAY • February 19

9 a. m. Raw Products Conference

North Assembly Room, Stevens Hotel

Presiding: CHARLES H. MAHONEY, Director, Raw
Products Research Bureau, National Canners
Association

Discussion: "A Practical Field Control Program for
Corn Insects"—G. C. DECKER, Illinois Natural
History Survey, L. P. DITMAN, Maryland Experi-
ment Station

Question Box Panel: "Insect Control"

Panel Discussion: "Use and Limitations of the Heat
Unit Technique for Planting and Harvesting
Canning Crops"

9:30 a. m. Canning Problems Conference

Room 2, Stevens Hotel

Presiding: ROY B. STOVER, Owens-Illinois Glass
Company

Address: "Dietetic Packs in the Nutritional Pro-
gram"—J. R. ESTY, Western Branch Laboratory,
National Canners Association

Address: "Nutritional Aspects of Low Sodium Diets"
—FRANKLIN C. BING, Nutrition Consultant

Address: "Effect of Sterilization Temperatures on
Color of Tomato Juice"—T. E. BLUMER, F. W.
PARRIN, and G. T. PETERSON, Research Division,
Continental Can Company, Inc.

Address: "The Role of Special Analytical Tools in
Special Investigational Work and in Trouble-
shooting"—O. R. ALEXANDER, Research Lab-
oratory, American Can Company

Address: "Some Factors in Preventing Discolora-
tion of Canned Meat Products"—O. C. JOHN-
SON and L. J. FROST, Research Department,
Continental Can Company, Inc.

INTERNATIONAL CANNERS ASSOCIATION

Program

GOEB. 17-20

Address: "Problems in the Processing of Fruits"—
C. T. TOWNSEND, Western Branch Laboratory,
National Canners Association

2 p. m. Canning Problems Conference

Room 2, Stevens Hotel

Presiding: E. J. CAMERON, Washington Research
Laboratory, National Canners Association

Address: "Radiations and Their Application in Food
Processing"—B. E. PROCTOR, Department of
Food Technology, Massachusetts Institute of Tech-
nology

Address: "N.C.A. Experimental Program with Sub-
tillin"—C. W. BOHRER, Washington Research
Laboratory, National Canners Association

Address: "Results of Studies on the Preservative
Action of Antibiotics in Processed Foods"—J. D.
BURROUGHS and EVAN WHEATON, Research
Division, American Can Company

Address: "Problems in the Application of Anti-
biotics to Food Processing"—H. S. OLCOTT,
Western Regional Research Laboratory, U. S.
Department of Agriculture

Discussion Period

2 p. m. Raw Products Conference

North Assembly Room, Stevens Hotel

Presiding: CHARLES H. MAHONEY, Director, Raw
Products Research Bureau, National Canners
Association

Report on Recent Tomato Meetings: Mr. MAHONEY

Address: "The Value of Soil Testing and Exper-
imental Farms for Improving Yields and Quality
of Canning Crops"—E. W. MONTELL, Camp-
bell Soup Company

Panel Discussion: "Labor Saving Equipment for the
Production and Harvesting of Canning Crops"—
(Pea, Sweet Corn, Spinach and Root Crop Har-
vesters; Bean Pickers; and High Clearance
Sprayers)

TUESDAY • February 20

9:30 a. m. Joint Laboratory and Raw Products Conference

South Ballroom, Stevens Hotel

Presiding: J. R. ESTY, Western Branch Laboratory,
National Canners Association

Address: "The Legal Aspects of the Added Chemi-
cal Problem"—H. THOMAS AUSTERN, Counsel,
National Canners Association

Address: "The Added Chemical Problem as Re-
lated to Canned Foods"—C. A. GREENLEAF,
Washington Research Laboratory, National Can-
ners Association

Address: "Pesticide Problem from the Standpoint of
Canning Crops"—CHARLES E. PALM, Cornell
University

Address: "Fertilizers in Relation to Food Composi-
tion"—RUSSELL COLEMAN, National Fertilizer
Association

Discussion Panel: L. G. COX, Moderator, Beech-Nut
Packing Company, N. K. ELLIS, Purdue Agricul-
tural Experiment Station, F. C. LAMB, Western
Branch Laboratory, National Canners Associa-
tion, D. W. LEEPER, H. J. Heinz Company, (and
other speakers listed on this program)

2 p. m. Fishery Products Conference

North Assembly Room, Stevens Hotel

Presiding: DONALD P. LOKER, Chairman, Fishery
Products Committee, National Canners Associa-
tion

Address: "Price Stabilization and Its Relation to
Fishery Products"—WAYNE E. RICE, Consultant,
Economic Stabilization Agency

Address: "Selective Service and the Fisheries"—
Col. DANIEL O. OMER, General Counsel, Selec-
tive Service System

Address: "The Program of the Defense Fisheries
Administration"—ALBERT M. DAY, Administra-
tor, Defense Fisheries Administration

Film: "The Story of Menhaden"

Cutting: Latin American-Produced Canned Fish

(The Film and the Cutting are presented through
courtesy of the U. S. Fish and Wildlife Service.)

SCHEDULE OF PRINCIPAL EVENTS OF THE 1951 CONVENTION

(Details announced to date; subject to revision)

Wednesday, February 14

- 9:30 a.m.—Meeting of N.C.A. Scientific Research Committee, Room 10, Hotel Stevens

Thursday, February 15

- 10 a.m.—Meeting of N.C.A. Retirement Committee, Room 1005A, Hotel Stevens
2 p.m.—Meeting of N.C.A. Budget Committee, Room 1005A, Hotel Stevens
2 p.m.—Canning Industry Research, Room 6, Stevens

Friday, February 16

- 9:30 a.m.—Meeting of N.C.A. Home Economics Committee, Room 19, Hotel Stevens
9:30 a.m.—Meeting of N.C.A. Labeling Committee, Room 8, Hotel Stevens
10 a.m.—Meeting of N.C.A. War Mobilization Committee, North Assembly Room, Stevens
12:30 p.m.—Luncheon meeting, N.C.A. Administrative Council, North Assembly Room, Hotel Stevens
1:30 p.m.—Meeting of N.C.A. Buildings Committee, Room 19, Hotel Stevens
1:30 p.m.—Meeting of N.C.A. Convention Committee, Room 8, Hotel Stevens
2 p.m.—N.C.A. Tomato Products Standards Meeting, Lower Tower, Hotel Stevens
2:00 p.m.—Meeting of Officers and Directors, Peanut Butter Manufacturers Association, Morrison Hotel
7:30 p.m.—Meeting of N.C.A. Raw Products Committee, Room 8, Hotel Stevens

Saturday, February 17

- 9 a.m.-6 p.m.—Machinery and Supplies Exhibit, Exhibit Hall and Ballroom floor, Hotel Stevens
9:30 a.m.—Morning session, N.C.A. Board of Directors, West Ballroom, Hotel Stevens
10 a.m.—General Session, Peanut Butter Manufacturers Association, Morrison Hotel
12:30 p.m.—N.C.A. Board of Directors Luncheon, South Ballroom, Hotel Stevens
1:30 p.m.—Special N.C.A. War Mobilization Session, North Ballroom, Hotel Stevens
5 p.m.—Attendance Awards, Exhibit Hall, Stevens
6 p.m.—State Secretaries Dinner, Room 1, Stevens
6:30 p.m.—Old Guard Reception and Dinner, North Assembly and North Ballroom, Hotel Stevens
7 p.m.—Meeting of N.C.A. Resolutions Committee, Room 21, Hotel Stevens
7 p.m.—N.C.A. Research Advisory Committee Smoker, Room 4, Hotel Stevens

Sunday, February 18

- 9 a.m.—Meeting of N.C.A. Nominating Committee, North Assembly Room, Hotel Stevens
9:30 a.m.—Meeting of N.C.A. Statistics Committee, Room 8, Hotel Stevens
9:30 a.m.—Meeting of N.C.A. Legislative Committee, Room 10, Hotel Stevens
10 a.m.—Annual meeting, C.M.&S.A., West Ballroom, Hotel Stevens
10 a.m.-12:30 p.m.—Directors' meeting, Associated Independent Cannerymen, Inc., Room 9, Hotel Stevens
12 m.—Luncheon meeting, N.C.A. Claims Committee, Room 6, Hotel Stevens
12 m.-6 p.m.—Machinery and Supplies Exhibit, Exhibit Hall and Ballroom floor, Hotel Stevens
1:30 p.m.—General Session of N.C.A., North Ballroom, Hotel Stevens
1:30 p.m.—Business meeting, National Food Brokers Association, Grand Ballroom, Palmer House
2 p.m.—Meeting of Officers and Executive Committee, National Preservers Association, Morrison Hotel

- 4 p.m.—Meeting of N.C.A. Fishery Products Committee, Room 8, Hotel Stevens
5 p.m.—Attendance Awards, Exhibit Hall, Stevens

Monday, February 19

- 9 a.m.—N.C.A. Raw Products Conference, North Assembly Room, Hotel Stevens
9 a.m.-6 p.m.—Machinery and Supplies Exhibit, Exhibit Hall and Ballroom floor, Hotel Stevens
9:30 a.m.—N.C.A. Canning Problems Conference, Room 2, Hotel Stevens
9:30 a.m.-4:30 p.m.—General meeting, National Kraut Packers Association, Room 4, Hotel Stevens
9:30 a.m.—General Session, National Preservers Association, Garden Terrace, Morrison Hotel
10:30 a.m.—N.C.A. Pineapple Standards Meeting, Room 1005A, Stevens
2 p.m.—N.C.A. Raw Products Conference, North Assembly Room, Hotel Stevens
2 p.m.—N.C.A. Canning Problems Conference, Room 2, Hotel Stevens
2 p.m.—General Session, National Preservers Association, Garden Terrace, Morrison Hotel
5 p.m.—Attendance Awards, Exhibit Hall, Stevens
7 p.m.—Young Guard Dinner, Terrace Casino Room, Morrison Hotel
7 p.m.—Annual N.F.B.A. Banquet, Grand Ballroom, Palmer House
8 p.m.—N.C.A. Raw Products Smoker, North Assembly Room, Hotel Stevens

Tuesday, February 20

- 8:30 a.m.—Breakfast meeting, N.C.A. West Coast Dedication Committee, Room 1005A, Stevens
9 a.m.-6 p.m.—Machinery and Supplies Exhibit, Exhibit Hall and Ballroom floor, Hotel Stevens
9:30 a.m.—Joint N.C.A. Raw Products and Laboratory Conference, South Ballroom, Stevens
10 a.m.—General Session, National Preservers Association, Garden Terrace, Morrison Hotel
2-5 p.m.—Annual Meeting, Associated Independent Cannerymen, Inc., Room 2, Hotel Stevens
2 p.m.—N.C.A. Fishery Products Conference, North Assembly Room, Hotel Stevens
2 p.m.—General Session, National Preservers Association, Garden Terrace, Morrison Hotel
5 p.m.—Attendance Awards, Exhibit Hall, Stevens
7 p.m.—Annual Dinner Dance, under auspices of C.M.&S.A., Grand Ballroom, Palmer House

Wednesday, February 21

- 8 a.m.-1:15 p.m.—National Cherry Pie Baking Contest, sponsored by National Red Cherry Institute, Grand Ballroom, Morrison Hotel
9 a.m.-3 p.m.—Machinery and Supplies Exhibit, Exhibit Hall and Ballroom floor, Hotel Stevens
10 a.m.—Meeting of N.C.A. Tuna Standards Industry Committee, Room 4, Hotel Stevens
2:30 p.m.—Attendance Awards, Exhibit Hall, Stevens

Thursday, February 22

- 9:30 a.m.-12 m.—Meetings of Standing Committees, National Pickle Packers Association, Sheraton Hotel
12:15 p.m.—Luncheon meeting of Committees, Officers and Board of Directors, National Pickle Packers Association, Suite 816, Sheraton Hotel
1:30-5 p.m.—Board of Directors meeting, National Pickle Packers Association, Suite 815, Sheraton Hotel
6 p.m.—Cocktail party and Dinner Dance, National Pickle Packers Association, Sheraton Hotel

Friday, February 23

- 10 a.m.-5 p.m.—General Session, National Pickle Packers Association, Sheraton Hotel

General Ceiling Price Regulation

(Concluded from page 33)

modities processed by canners are not included on the list of agricultural commodities for which parity determinations are made by the Secretary of Agriculture. In such cases, the canner may not resort to the "parity" adjustment provisions since a commodity is an "agricultural commodity" for the purposes of the Defense Production Act's legal minima only if a parity price is determined for it by the Secretary of Agriculture.

(2) The agricultural commodity must be selling at a price below the legal minimum for the individual commodity as determined by the most recent publication of the Secretary of Agriculture.

(3) The canned food to which the price ceiling increase is to be applied must be processed "in substantial part" from one or more of the agricultural commodities then selling below parity, or from commodities processed from them.

(4) The cost to the canner of a current customary purchase of an agricultural commodity (or a commodity processed therefrom) is in excess of the highest price the canner paid for such commodity during the base period.

When these conditions are met, a canner may increase his ceiling price for that canned item by the dollars and cents difference per unit between the highest price he paid for a customary purchase of the agricultural commodity (or commodity processed therefrom) during the base period and the cost to him of the most recent customary purchase. Once the adjusted price ceiling is determined, it may again be adjusted whenever the cost of the raw material rises, so long as the Secretary of Agriculture has not announced publicly that the selling price of the particular agricultural commodity has reached the legal minimum provided for in the Defense Production Act of 1950.

If a canner is unable to figure his cost increase under the above provisions because he has made no customary purchases during the base period, he must employ as his initial cost factor the highest price he paid during the most recent five-week period prior to the base period in which he engaged in customary purchasing operations. Since many canners have made no purchases of particular commodities during the period December 19 to January 25, the amount of increase in their ceiling price permitted when purchases of raw material are resumed will be determined by the

dollars and cents difference per unit between the highest price paid for the agricultural commodity during the final five weeks of the last growing season and the cost of their current customary purchases of that commodity for canning.

Similar provisions for adjusting ceiling prices are made available to those in the chain of distribution who resell commodities which are processed from agricultural products selling below the legal minima, and for which ceilings on the processed commodity have been adjusted at the processor level. The general effect of these provisions is to permit wholesalers and retailers to pass on to their purchasers the increased costs resulting from adjustments in the canners' ceilings.

Where prices of a particular agricultural commodity have been customarily based on commodity exchange quotations, a special method of computing "parity" adjustments is provided by Section 11(e).

Before a canner may increase his ceiling price under the "parity" adjustment provisions, he must first notify the Director of Price Stabilization in Washington by registered mail of the proposed price increase. The information required in this notice is set out in Section 11(f) of the regulation, and generally is such as to enable the Director of Price Stabilization to verify the circumstances under which the price increase is to be granted. The increase in the ceiling price may be put into effect immediately upon the mailing of this notice, subject, however, to a subsequent disapproval of the increase by the Director of Price Stabilization and a possible rollback of the new ceiling price.

The regulation includes no provisions permitting canners to increase their ceilings as a result of increased labor or other costs.

Legal and Interpretative Considerations in Connection with the Parity Adjustment Provisions

The proposed method of giving effect to the provisions of the Defense Production Act which limit the power of the Economic Stabilization Agency to establish price ceilings on agricultural commodities and products processed therefrom raises a number of questions involving both the legality and the proper interpretation to be given to the "parity" adjustment provisions. Many of these questions look to the future and are not of immediate concern to canners attempting to determine ceiling prices. Others, however, will require clarification before the precise meaning of the regulation can be determined.

The language of Section 11(b) would seem to indicate that the price increase for a particular canned item will take effect upon the completion of any customary purchase of the agricultural commodity at a price in excess of the customary purchase price during the base period and that the adjusted ceiling price so determined will be applicable to all such processed items in the hands of the processor, whether or not packed during an earlier period when different raw material cost prices were in effect. Whether this interpretation will be ultimately adopted by the ESA is not as yet determined.

Furthermore, the regulation offers no guide to the meaning to be given to the term "customary purchase." While a good faith purchase of a substantial quantity of raw material to be used in processing may be sufficient to authorize an adjustment of a ceiling price, the purchase of an insignificant quantity of such material for the purpose of bringing the parity adjustment provisions to bear may not be considered by the Directors as a "customary purchase."

Commodities Exempt from the Regulation

Partially because of administrative considerations and partially because many agricultural commodities are currently selling at prices below the minimum price ceilings which may be established for such commodities, a number are exempted from price control under the regulation. Among these are raw and unprocessed agricultural commodities when sold by the producers, *all fresh fruits and vegetables* and tree nuts, and fresh fish and seafood and game, and commodities grown and processed on a farm and sold by the farmer in quantities such that his total sales in any one calendar month do not exceed \$200. A complete list of exemptions and exceptions is provided in section 14 of the General Ceiling Price Regulation.

Since fresh fruits and vegetables and fresh fish and seafood are exempted at all levels of distribution without regard to the relative position of the selling price of such commodities with respect to legal minima prescribed in the Defense Production Act, the cost to canners of these commodities may increase to the point where pressures are exerted on the canners' price ceilings. A doubt, therefore, exists, in the light of the "fair and equitable margin" provision of the Defense Production Act, as to the legality of a price ceiling regulation which does not permit ad-

justment in canners' price ceilings when the cost of their raw materials are permitted to approach the canners' ceiling prices on the processed commodity. The Statement of Considerations, however, expresses the intention of the Director of Price Stabilization to issue price control regulations for fresh fruits, vegetables, fish, and seafood specifically adapted to the unusual marketing factors and seasonal and perishable characteristics of these commodities.

Amendments, Protests and Interpretations

Section 15 of the regulation provides that the Director of Price Stabilization may issue supplementary regulations or modifications. Furthermore, this section points out that Price Procedural Regulation No. 1 (see INFORMATION LETTER of December 22, 1950, page 355) sets forth the circumstances and the manner in which a canner may obtain an interpretation, file a protest or petition for an amendment. There is no indication in the regulation whether or not changes or modifications based on hardship will be considered on an industry or individual canner basis and no criteria are provided for such adjustments.

The Office of Price Stabilization, however, will issue at a future date such standards as it deems necessary.

Records

The regulation contains detailed provisions as to the records that must be kept. These are set forth in Section 16. For the base period a canner must preserve and keep those records in his possession showing the prices charged by him for the products delivered or offered for delivery during the base period. In addition, he must, on or before March 1, 1951, prepare a statement showing the categories of commodities in which he made deliveries or offers for delivery during the base period, as well as a ceiling price list showing the prices for commodities in each category, listed by type, style and kind. Furthermore, he must prepare a statement of his customary price differentials for terms and conditions of sale and classes of customers in effect during the base period.

Current records showing the prices charged for commodities must be kept by a canner for examination by the Director of Price Stabilization for a period of two years. These current records should also indicate clearly the basis upon which a canner has determined the ceiling prices for any commodities which were not delivered or offered for delivery during the "base period."

USDA Issues Legal Minima; Prices Yet To Be Adjusted

Legal minimum prices for agricultural commodities as determined by the Secretary of Agriculture, but without adjustment for grade, location, and seasonal differentials, were announced by USDA January 31.

The "legal minima," as determined by the Secretary, are the highest of three basic prices—(1) parity as of January 15, 1951; (2) the average price received by producers during the May 24-June 24 period; or (3) the average price received by producers during the most recent representative period in which the market was active for each product.

The Defense Production Act states that no price ceiling may be established or maintained below the highest of these three prices as "adjusted by the Secretary for grade, location, and seasonal differentials."

Following are legal minima for selected agricultural commodities on the basis of national average prices only and without adjustment:

Commodity	Unit	Legal minimum prices Jan. 15, 1951 (dollars)
Grapefruit ¹	box	1.98
Lemons ¹	box	3.25
Oranges ¹	box	3.58
Apples for canning.....	ton	67.20
Apricots for canning.....	ton	101.00
Blackberries ¹	lb.	.156
Boysenberries ¹	lb.	.133
Gooseberries ¹	lb.	.111
Loganberries ¹	lb.	.136
Raspberries, black ¹	lb.	.309
Raspberries, red ¹	lb.	.301
Youngberries ¹	lb.	.131
Cherries, sour.....	ton	225.00
Cherries, sweet.....	ton	306.00
Cranberries.....	ton	20.30
Figs for canning.....	ton	140.00
Grapes, excl. raisins dried.....	ton	75.90
Olives, canned.....	ton	302.00
Peaches, cling, for canning ¹	ton	71.80
Peaches, free, for canning ¹	ton	59.30
Pears for canning.....	ton	89.20
Plums for canning ¹	ton	65.80
Prunes for canning.....	ton	62.00
Strawberries for processing ¹	lb.	.223
Asparagus for processing.....	ton	205.00
Beans, lima, for processing ¹	ton	152.00
Beans, snap for processing.....	ton	122.00
Beets for canning.....	ton	23.80
Cabbage for kraut.....	ton	16.80
Corn, sweet for processing.....	ton	22.70
Cucumbers for processing.....	bu.	1.63
Peanut, green, for processing ¹	ton	99.00
Pimientos for processing.....	ton	71.50
Spinach for processing.....	ton	88.50
Tomatoes for processing.....	ton	31.30
Beef cattle.....	cwt.	23.80
Hogs.....	cwt.	30.60
Lambs.....	cwt.	26.40
Sheep.....	cwt.	12.00
Veal calves.....	cwt.	28.30
Chickens.....	lb.	.302
Turkeys.....	lb.	.380

¹ Equivalent on-tree returns for all methods of sale. ² Oregon and Washington only; primarily for processing. ³ California only. ⁴ Oregon, Washington, and Louisiana only. ⁵ Shelled basis.

Official NPA Actions Leading To Issuance of Order M-25

Following is a summary of orders relating to tin which preceded the issuance of NPA Order M-25:

Regulation 1 (Sept. 18) required the maintenance of inventory stocks of certain materials, including pig tin, at not more than a "practicable minimum working inventory." This was the first regulation issued by NPA; it was directed to all businessmen and was designed to prevent the accumulation of excessive inventories of materials in short supply.

Order M-8 (Nov. 13) dealt solely with tin. It contained an identical prohibition on excessive stocks and also limited inventories of pig tin in the hands of primary users to the quantity required for the user's scheduled rate of operation for the next 60 days, whichever is less. The order did not affect stocks of tinplate.

Order M-8, Amendment No. 1 (Dec. 18) also was addressed to primary users of tin. As amended, M-8 (a) established the period January 1-June 30, 1950, as a base period; (b) permitted each manufacturer of tin products to use 100 percent of his monthly average during January, 1951, but only 80 percent of his monthly average during February and March, thereby achieving an over-all 20 percent reduction in pig tin consumption; and (c) restricted pig tin inventories in the hands of tinplate manufacturers to a 120-day supply and in the hands of all other pig tin users to a 60-day supply.

Order M-8, Amendment No. 2 (Jan. 9) eliminated limitations on the quantities of tin scrap that might be smelted and refined into secondary tin.

NPA Tin Orders

(Concluded from page 29)

almost indispensable to the commercial canning of food. During wartime when there are dangers of the tin supply being cut off for an undetermined period, it becomes essential that the stockpiles of tin within the United States be increased to insure that minimum supply necessary to maintain the production and preservation of food without interruption. It is the responsibility of the Munitions Board to determine when strategic materials should be stockpiled and the amount and rate of stockpiling.

A few months ago decisions were made at high government levels that

of the prospective imports of tin during 1951 a very substantial part should be put away in the national stockpile to insure against the contingency of having tin supplies cut off. To stockpile that amount of tin during 1951 it became necessary to restrict the amount of tin used for industrial purposes. That restriction was effected by NPA Order M-8, as amended last December 18, which limited the amount of tin to be delivered to tin mills to 80 percent of the amount used during the corresponding period of 1950. It was obvious, with the 20 percent reduction in the amount of tin that might be used in 1951, that unless some regulation were issued to control the end use of tin products, tinplate for example, some users would get more than their fair share of the restricted tin supply and others would not have enough to meet their requirements.

About 27,000 tons of tin are needed for the tinplate used in making a year's supply of cans. A 20 percent reduction means that approximately 5,500 tons of tin has to be saved from the tin can usage. This saving can be effected either by reducing by 20 percent the volume of tinplate for can manufacture, or by reducing correspondingly the thickness of the tin coating on the plate.

In NPA Order M-25, issued January 26, both of these methods were used to effect the tin saving. The tin coatings were reduced to what is considered by the Tin Plate Industry Advisory Committee to be the minimum usage that would insure safe packing of each of the canned foods. For some items such as coffee and a number of non-food items formerly using tin, no tinplate may be used under the order.

The saving of tin effected by the reduction in coating amounted to about 4,500 tons, or in other words, about 1,000 tons less than the 20 percent objective. It was obvious that to save the additional 1,000 tons, tinplate usage would have to be cut down. Some reduction in tinplate usage can be effected by restricting the packing of foods in the small containers and thus maintain the volume of food packed. This is because a smaller amount of tinplate is needed to pack a given quantity of food in large cans than in small cans. With the reduced tin coatings, however, the saving of tin that would be effected through the limitation on the use of small cans would not be large, and it was felt that this would not compensate for

the disadvantage to the consumer in not being able to buy cans of a size she needed for economical use of canned foods.

Thus, only one other avenue was open for the saving of the additional 1,000 tons of tin needed, and that was to restrict the volume of products that could be packed. It was obvious that no restriction should be placed on the volume of cans to be used for packing seasonal and perishable foods (designated by a single asterisk in Order M-25). Order M-25 therefore provides for unlimited quantities of cans for those items. In the case of other food products (designated in the order by a double asterisk) can usage for the first quarter of 1951 is restricted to 100 percent of the usage during the first quarter of 1950 or 1949 with the canner given the option of selecting which of these base quarters he desires to use. These same restrictions apply to seasonal products designated by a single asterisk when such products are repacked from other containers. Since this percentage is based on the square area of tinplate used in making the cans, it would still be possible under this order for a canner to pack more than 100 percent of the volume he canned during the base quarter selected, if he chooses to use cans of larger size.

Nonfood products for which tinplate is permitted for packing under M-25 were restricted to 90 percent of the 1950 or 1949 base first quarter. These percentage restrictions both for food and nonfood products will continue beyond the first quarter unless and until NPA changes them.

It is estimated that only about one-third of the 1,000 tons of tin will be saved through these percentage restrictions. Thus, the order provides for an approximate saving of only 18 percent instead of the 20 percent objective.

The order makes provision for using plate already manufactured or in process that is of a different coating specification than that specifically listed for each product. There are, however, no corresponding exemptions to the packing quotas. Orders having a properly applied DO rating are exempt from the use limitations but not from the plate specifications.

It is recognized that there are some errors and omissions in the order and these will be corrected promptly. Relief from other inequities must be handled through application to the administrator of the order.

Military Purchases Exempted From Price Ceiling Regulation

The Office of Price Stabilization on February 1 issued its first supplementary regulation modifying the General Ceiling Price Regulation of January 26. The announced purpose of this Supplementary Regulation 1 is to exempt from price controls certain sales to defense agencies of commodities and services normally produced and supplied only for military use.

Among the products listed as exempt from the GCPR when sold to a defense agency or to any person for use in connection with a defense contract or subcontract are "special dehydrated foods" and "completed operational rations—when made especially to military specifications and not sold commercially in the normal course of trade." Explanatory comment on the scope of these exempted categories is unavailable at this time.

The Supplementary Regulation also authorizes the Director of Price Stabilization to adjust the ceiling price or prices of any seller who has entered into or proposes to enter into a defense contract for the sale of a commodity essential to the defense program, whenever it appears that the ceiling price impedes or threatens to impede the production, manufacture or distribution of such commodity.

A seller seeking an individual hardship adjustment under this provision must forward an application for adjustment of his price ceiling to the defense agency with whom he intends to contract or with whom he has already entered into a contract. If the defense agency certifies to the Director of Price Stabilization that the canner's present ceiling price impedes or threatens to impede the production of that commodity and that production of the commodity is essential to the defense program, the adjustment may be granted. No payments at the price proposed in the application for adjustment may be made on deliveries subsequent to the application until an order granting the higher price has been issued.

A seller of commodities and services the sale of which is exempted by Supplementary Regulation 1 from the price ceiling established in the GCPR shall not be required to comply with the record-keeping provisions of Section 16 of that regulation, but must preserve those records in his possession showing the price charged by him for the commodities which he delivered or offered to deliver during the base period December 19, 1950, to January 25, 1951.

PUBLICITY

N.C.A. Recipe Book Credited

On January 11, Miss Ruth Thompson, food editor of the San Francisco *News*, ran a half-column description of the Home Economics Division's recipe book, *Tempting Recipes Using Canned Foods*.

She began the article, "This wonderful cook book carries 117 recipes! January and February are the months we are low, when compared to other months, in fresh produce supplies. This recipe book has a fine collection of tempting ways to use canned foods." Also pointed out are the features such as the information about canned foods, suggested menus, ideas for last-minute entertaining, and ways to use the liquid from canned foods.

The article also recommends the recipe book to homemakers by saying, "It will be wonderful to have a useful year-round canned foods cook book available with suggestions and recipes."

The Family Circle

"Mighty good eating are these dishes made with tomato juice to add that flavor spark," is the subtitle of the article "Make Them Better with Tomato Juice" by Miss Drury Strong in the February issue of *The Family Circle* magazine.

The seven recipes are pictured, with interesting captions, on the first two pages of the article. Each of the recipes calls for a No. 2 can of tomato juice as an ingredient.

In addition to the seven recipes, the author gives five suggestions for other ways to use tomato juice to make appetizing dishes.

Good Housekeeping

The front cover of the February issue of *Good Housekeeping* magazine features "Complete Pie Cook Book." In that issue, the entire food section is made up in the form of a manual on pies. Thirty-one pages comprise photographs, articles, and recipes for a wide variety of pies.

Twenty-five of the recipes contain one or more canned foods. The canned foods included are:

Apples, applesauce, apricots, blackberries, blueberries, boysenberries, cherries, cranberry sauce, fruit cocktail, loganberries, mincemeat, orange sections, peaches, pears, pineapple, pineapple juice, plums, prunes, pumpkin, raspberries, and strawberries.

Better Homes and Gardens

Red tart, bing and Maraschino cherries are featured in the article "Perfect Cherry Pie" in the February issue of *Better Homes and Gardens* magazine.

Accompanying the article is a full-page color photograph of a cherry pie. It is described in the lead, "There's crisp, flaky crust deftly crimped; red cherries and juice peeking up through the lattice windows. Not too sweet, no. And not too tart." In addition to the cherry pie recipes given in the article, red tart cherries are used in recipes for ham cups with cherry sauce, and crusty cherry cobbler. Bing cherries are used in a salad recipe, "Unusual and superdelicious," and Maraschino cherries are featured in a cake recipe, "Beautiful for a birthday cake, too."

Another illustrated article, "Salads Are the Sunshine in Your Meals," uses canned foods generously through the recipes.

STATISTICS

1950 Tomato Pack

The 1950 pack of canned tomatoes amounted to 18,724,350 actual cases, as compared with the 18,873,672 cases packed in 1949, according to the Association's Division of Statistics. On the basis of standard cases of 24/2's, the 1950 pack totaled 21,108,000 cases as compared with 21,536,839 cases the year before.

1950 Tomato Pack by States

	1949 (actual cases)	1950
New York.....	527,320	376,078
Maryland.....	5,533,066	6,371,353
Delaware.....	126,852	197,429
New Jersey.....	210,560	284,125
Pennsylvania.....	589,377	619,533
Va., W. Va.....	852,061	1,059,784
Ohio.....	1,032,593	900,482
Indiana.....	1,671,082	1,476,705
Tenn. & Ky.....	217,694	209,075
Ark., Mo., & Okla.....	1,024,930	887,774
Colorado.....	184,603	150,698
Utah.....	674,139	507,317
California.....	3,978,132	3,560,916
Other States.....	2,060,673	2,412,282
U. S. Total.....	18,873,672	18,724,350

1950 Tomato Pack by Can Sizes

	1949 (actual cases)	1950
24/2.....	10,092,173	10,262,199
48/1P.....	826,775	948,475
24/303.....	180,930	920,111
24/2½.....	3,276,938	3,390,605
48/52.....		10,444
6/10.....	3,424,780	2,932,942
Misc. tin & glass.....	472,056	259,574
U. S. Total.....	18,873,672	18,724,350

A report on canners' stocks and shipments of canned tomatoes also has been compiled by the Statistics Division.

Canned Tomato Stocks and Shipments

	1949-50 (actual cases)	1950-51
Carryover, July 1.....	2,718,555	1,868,427
Pack.....	18,873,672	18,724,350
Total supply.....	21,592,227	20,592,777
Stocks, Jan. 1.....	9,479,162	8,150,601
Shipments, July 1 to Jan. 1.....	12,113,065	15,441,976

TABLE OF CONTENTS

	PAGE		PAGE
Defense		Convention	
General price freeze ordered by ESA.....	29	Airline ticket office to have home state papers.....	29
M-25 is one of five orders limiting use of tin.....	29	Details of program.....	34-35
General wage freeze ordered, ac- companying price freeze.....	31	Schedule of principal events of the 1951 Convention.....	36
OPS food pricing organization con- forms closely with OPA.....	31	Congress	
OPS food division head.....	31	Chemicals in processed foods.....	29
USDA issues legal minima; prices yet to be adjusted.....	38	Meeting of competition.....	30
Official NPA actions leading to is- suanace of order M-25.....	38	Supplies	
Military purchases exempted from price ceiling regulation.....	39	Shipments of metal cans.....	30
Association Activities		Publicity	
Cumming named chairman of War Mobilization Committee.....	29	N.C.A. recipe book credited.....	40
Canners received copies of the price control, wage freeze, and tin orders early this week.....	30	<i>The Family Circle</i>	40
		<i>Good Housekeeping</i>	40
		<i>Better Homes and Gardens</i>	40
		Statistics	
		1950 tomato pack.....	40